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Twentieth session

SUMMARY RECORD OF THE 4th MEETING

Held at the Vienna International Centre, Vienna,
on Friday, 20 November 1998, at 5 p.m.

President: Mr. PITTALUGA FONSECA (Uruguay)

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The meeting was called to order at 5 p.m.

INTRODUCTION OF DRAFT DECISIONS (IDB.20/L.2-L.10)

1. **The PRESIDENT** said that a number of draft decisions had been approved in informal consultations under the chairmanship of Mr. Nur (Sudan), and he was now submitting them to the Board as drafts of the President.

REPORT OF THE PROGRAMME AND BUDGET COMMITTEE *(continued)* (IDB.20/2; IDB.20/L.7)

2. **The PRESIDENT** drew attention to draft decision IDB.20/L.7 on "Dates of the Programme and Budget Committee, fifteenth session".

3. *The draft decision was adopted.*

(a) REPORT OF THE EXTERNAL AUDITOR, FINANCIAL PERFORMANCE REPORT AND PROGRAMME PERFORMANCE REPORT FOR THE BIENNIUM 1996-1997 *(continued)* (IDB.20/3, IDB.20/5, IDB.20/6, IDB.20/10)

4. **The PRESIDENT** proposed that, in line with paragraph (c) of conclusion 98/5 of the Programme and Budget Committee (IDB.20/2), the Board should recommend that the General Conference take note of the information provided at the request of the External Auditor in document IDB.20/6.

5. *It was so decided.*

(b) FINANCIAL SITUATION OF UNIDO *(continued)* (IDB.20/8, IDB.20/11; IDB.20/L.2)

6. **The PRESIDENT** drew attention to draft decision IDB.20/L.2 on the "Financial situation of UNIDO; unutilized balances from the 1992-1993 biennium".

7. *The draft decision was adopted.*

(c) PROGRAMME AND BUDGETS, 1998-1999 *(continued)* (IDB.20/7, IDB.20/18; IDB.20/L.3)

8. **The PRESIDENT** drew attention to draft decision IDB.20/L.3.

9. *The draft decision was adopted.*

(d) FINANCIAL REGULATIONS *(continued)* (IDB.20/6)

10. **The PRESIDENT** said that, as no draft decision had been submitted under the sub-item, he proposed that the Board should take note of the documentation provided by the Secretariat.

11. *It was so decided.*

(e) MEDIUM-TERM PROGRAMME FRAMEWORK, 2000-2003 *(continued)* (IDB.20/9; IDB.20/L.4)

12. **The PRESIDENT** drew attention to draft decision IDB.20/L.4.

13. *The draft decision was adopted.*

(f) INDUSTRIAL DEVELOPMENT FUND AND OTHER VOLUNTARY CONTRIBUTIONS *(continued)* (IDB.20/4; IDB.20/L.5)

14. **The PRESIDENT** drew attention to draft decision IDB.20/L.5.

15. *The draft decision was adopted.*

PROGRAMMATIC REVIEW, INCLUDING SYSTEM-WIDE ISSUES *(continued)* (IDB.20/12, IDB.20/13, IDB.20/14, IDB.20/15; IDB.20/L.8)

16. **The PRESIDENT** drew attention to draft decision IDB.20/L.8 on the "Contribution of UNIDO to the System-Wide Action Plan on Drug Abuse Control".

17. **Mr. WØHLK** (Denmark), stressing the importance for UNIDO's survival of having its efforts concentrated in areas where it enjoyed a comparative advantage, stated his country's opposition to assigning it an extraneous task, such as drug abuse control, which lay outside its mandate as outlined in the Business Plan. Notwithstanding the necessity of efforts in that area, which Denmark already supported through its contributions to other organizations and initiatives, the adoption of decisions such as the present one would oblige his country in future to tie its voluntary contributions to UNIDO to specific tasks defined in the Business Plan.

18. **Mr. UMER** (Pakistan), agreeing with the previous speaker that the draft decision lay outside UNIDO's mandate, said that the Organization had no experience in the area of drug control, for which a large international programme already existed.

19. **Mr. FREEMAN** (United Kingdom) said that his country's support for the draft decision was based strictly on the premise that the Director-General had no authority to exceed the mandate assigned to UNIDO by the Business Plan, which contained no reference to drug abuse control, and that any benefits in that area arising from UNIDO's activities would be indirect. The phrase "in conformity with the Business Plan" in paragraph (e) of the decision was crucial in that regard.

20. **Mr. TRUJILLO GARCÍA** (Colombia) felt that the objections that had been raised were fully covered by the qualifying phrases in paragraph (e) "in conformity with the Business Plan" and "within the framework of their objectives and competence". Furthermore, the Political Declaration adopted at the recent special session of the United Nations General Assembly on the world drug problem contained an appeal to organizations within the United Nations system to cooperate, within their respective spheres of competence, in alternative development efforts. The draft would merely request the Director-General to explore options within UNIDO's present mandate for furthering coordinated activities within the United Nations system, where appropriate.

21. **Mr. BORCHARD** (Germany) said that he had sympathy for the ideas motivating the draft decision but felt that it set a dangerous precedent by opening the way to similar decisions in the multifarious areas in which industrial development had an impact on socio-economic issues. There was the additional risk for the Organization of forfeiting credibility after a difficult period of reform in which it had won respect for its decisions. Notwithstanding his country's support for the efforts undertaken by the United Nations International Drug Control Programme (UNDCP), Germany could not allow a draft decision involving activities beyond UNIDO's mandate to be adopted without registering its profound concern.

22. **Mr. UMER** (Pakistan) noted that the draft would call on UNIDO "to join international efforts to combat the world drug problem". He proposed that the last part of paragraph (e) should be amended to read "in the framework of their respective mandates and competence, to promote, as appropriate, the efforts of the United Nations system to combat the world drug problem", and that paragraph (f) should read "Also requests the Director-General to include, as appropriate and necessary, any relevant information in future annual reports".

23. **Mr. MAGARIÑOS** (Director-General), after providing additional information concerning UNIDO's collaboration with UNDCP, which currently involved six projects, all funded by the latter at a total value of $5 million, with plans to incorporate further projects at a value of $20 million, suggested that the aim of the decision should be to express a political concern regarding the drug problem; the text could be shortened. He also wished to point out that UNIDO would not implement any activities that were not mandated by the Business Plan.

24. **Mr. TRUJILLO GARCÍA** (Colombia), supporting the amendments proposed by the delegation of Pakistan, stressed that the draft decision was not aimed at involving UNIDO in tasks outside its mandate.

25. **Mr. SALAZAR** (Venezuela) noted that the Political Declaration emanating from the United Nations General Assembly had been adopted at the level of Heads of State and Government. It was for Member States to determine to what extent and in what context action should be taken in that regard. The draft decision merely called for cooperation with other organizations of the United Nations system.

26. **Mr. FIGUEROA FISCHER** (Mexico) stressed his country's belief in the valuable contribution that UNIDO could make to the fight against drugs, particularly in relation to alternative development programmes.

27. **The PRESIDENT** suggested that the meeting should be briefly suspended to enable the delegations concerned to work out an acceptable text on an informal basis.

28. *It was so decided.*

The meeting was suspended at 5.50 p.m. and resumed at 6.25 p.m.

29. **The PRESIDENT** said that, following informal consultations, it was proposed that the last part of paragraph (e) should be amended to read "in the framework of their respective mandates and competence, to promote, as appropriate, the efforts of the United Nations system to combat the world drug problem", and that the last phrase of paragraph (f) should read "to include, as appropriate and necessary, any relevant information in future annual reports".

30. *It was so decided.*

31. *Draft decision IDB.20/L.8, as amended, was adopted.*

32. **The PRESIDENT** drew attention to draft decision IDB.20/L.9 on the "Special Programme for the Industrial Development of Asia and the Pacific".

33. *The draft decision was adopted.*

34. **The PRESIDENT** drew attention to draft decision IDB.20/L.10 on "Implementation of the Business Plan in Africa".

35. **Mr. IKEDA** (Japan) proposed that the beginning of paragraph (d) be amended to read "Welcomes" instead of "Is aware of", the latter formulation being insufficiently positive.

36. **Mr. NUR** (Sudan), expressing his support for that proposal, suggested a further amendment, whereby paragraph (b) would read as follows: "Recognizes, with appreciation to the Director-General, the speedy finalization of the new service modules of UNIDO in Africa and in particular in the least developed countries". The text would thus refer more specifically to what had already been achieved in practice.

37. **Mr. UMER** (Pakistan) expressed support for the Japanese proposal and suggested that the first part of paragraph (b) should read as follows: "Recognizes with appreciation the efforts of the Director-General in the speedy finalization ...".

38. **Mr. IKEDA** (Japan) suggested that the proposed addition at the end of paragraph (b) should read "in various regions of the world, particularly in Africa and especially in the least developed countries".

39. **Mr. FREEMAN** (United Kingdom), supported by **Mr. MOHAMMED** (Nigeria) and **Mr. RECONDO** (Argentina), suggested the wording "and their application in Africa".

40. **The PRESIDENT** said that, if he heard no objections, he would take it that paragraph (d) should be amended to read "Welcomes the positive outcome of the Second Tokyo International Conference on African Development (TICAD II) held in October 1998", and paragraph (b) to read "Recognizes with appreciation the efforts of the Director-General in the speedy finalization of the new service modules of UNIDO and their application in Africa".

41. *It was so decided.*

FIELD REPRESENTATION (*continued*) (IDB.20/16)

PERFORMANCE INDICATORS (*continued*) (IDB.20/17)

42. **The PRESIDENT** said that, as no draft decisions had been submitted under those two items, he proposed that the Board should take note of the documentation provided by the Secretariat.

43. *It was so decided.*

PROVISIONAL AGENDA AND DATE OF THE TWENTY-FIRST SESSION (IDB.20/CRP.1; IDB.20/L.6)

44. **The PRESIDENT** drew attention to draft decision IDB.20/L.6.

45. *The draft decision was adopted.*

ADOPTION OF THE REPORT (IDB.20/L.1)

46. **Mr. SPASOV** (Bulgaria), Rapporteur, introducing document IDB.20/L.1, said that it merely represented the framework of the report. The final version would be compiled in close consultation with the Friends of the Rapporteur and would duly reflect the proceedings of the session.

47. **The PRESIDENT** said that, if he heard no objections, he would take it that the Board wished to adopt the draft report as a whole on the understanding that the Rapporteur would finalize it in consultation with the Friends of the Rapporteur as soon as possible after the closure of the session.

48. *It was so decided.*

CLOSURE OF THE SESSION

49. **Mr. MAGARIÑOS** (Director-General) thanked the members of the Board for their comments and expressions of satisfaction at what he and the Secretariat had achieved. A climate of trust in the Organization had been established and he appealed for the continued help of delegations in 1999 to create the same feeling of consensus in the capitals, the private sector and academic circles in order to promote a positive image of UNIDO.

50. The Secretariat would play its part fully, would follow up thoroughly on all decisions taken, give all information requested and focus on producing results in the national programmes that were being prepared.

51. That would involve consolidating the financial situation of the Organization, as had been stressed by the Programme and Budget Committee. Progress in that respect would have a general effect. He expressed his particular thanks to the Government of Chile for its recent contributions.

52. He thanked all delegations for their important comments and assured them that those comments would be fully taken into account.

53. **The PRESIDENT** said that he wished to express his thanks to the Secretariat and all who had contributed to the success of the session. The Board had completed its work ahead of schedule, thus generating considerable savings.

54. He declared the session closed.

The meeting rose at 6.50 p.m.